NI 43-101 TECHNICAL REPORT

ON THE

TELEDYNE COBALT PROJECT

LARDER LAKE MINING DIVISION, NORTHEASTERN ONTARIO

FOR

SURGE EXPLORATION INC.

Prepared by:

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JMK Exploration Consulting

May 8th, 2018

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1. EXECUTIVE SUMMARY

At the request of Surge Exploration Inc. (“Surge”), the author has completed a geological review of the Teledyne Cobalt Project (the “Property”) and prepared this technical report (the “Technical Report”) in compliance with NI 43-101, Companion Policy NI43-101CP, and Form 43-101F1.

The author has prepared this report to provide a summary of scientific and technical data on the Property, including historical exploration activities, and has made recommendations concerning future exploration and development of the Property. This Technical Report is based on exploration and Property information supplied to the author by Surge, a review of geological and exploration information available in the public domain, and personal observations made on the Property by the author.

The Property is situated approximately 6 km east-northeast of the town of Cobalt, Ontario. The Property consists of 5 patented and 8 unpatented mining claims covering an area of approximately 607.1 ha.

The Property is located within the Cobalt embayment in the Southern Province of the Canadian Shield. The Property is underlain by an undulating gabbroic intrusive sill, which in turn is underlain by Huronian Supergroup sedimentary rocks that include Gowganda Formation feldspathic quartzites, siltstones, and conglomerates. The Proterozoic-aged sediments in turn, unconformably overlie Archean metavolcanics and metasediments.

The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt (“Co”), and 980,000 oz. of silver (“Ag”) (Cunningham-Dunlop, 1979). A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures that extended southward towards the northern boundary of patented claim 372, part of the Teledyne Cobalt Property. Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel (“Ni”), and 81,000 lbs. of copper (“Cu”) were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

In 1953, Big Agaunico Mines Ltd. carried out a drilling program on a portion of LiCo's Teledyne Cobalt Property to locate the extension of the south-striking Agaunico cobalt-rich Vein 15. Drill holes No. 8 and No. 12 intersected 0.58% Co over 5 ft (1.5 m), and 0.46% Co over 3 ft (0.9 m) respectively. These intersections, located 350 ft (106.7 m) and 600 ft (182.9 m) south of the northern claim boundary of claim 372, confirmed the likely extension of the Agaunico cobalt zone (Vein #15) onto the Property (Cunningham-Dunlop, 1979).

In 1979, Teledyne Canada Ltd. ("Teledyne") completed six surface diamond drill holes and encountered a zone of cobalt mineralization that extended 640 ft (195 m) south from the claim boundary. In 1980, Teledyne completed a 10 ft (3.0 m) by 13 ft (4.0 m) access decline at a decline of -15 degrees for length of approximately 2,300 ft (701.0 m) to facilitate underground exploration of the mineralization zone encountered in their surface diamond drilling program. A total of 6,167 ft (1,879.7 m) of underground diamond drilling was completed in 22 drill holes (Bresee, 1981). The drill program confirmed the extension of the Agaunico cobalt zone onto claim 372 for a strike length of 500 ft (152.4 m). The drill program also encountered a second zone with a strike length of 450 ft (137.2 m). The most significant results included 0.64% Co over 55.3 ft (16.9 m), 0.74% Co over 28.6 ft (8.7m), and 2.59% Co over 8 ft (2.4 m). The aforementioned widths represent drill intersected widths, not true widths. Based on the surface and underground diamond drill programs, historical reserves of 60,000 tons in the geologically inferred category, and 40,000 tons in the probable category, at an average grade of 0.45% Co, 0.6 oz/t Ag was estimated (Linn, 1983). The historical reserve contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. Surge is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

During the fall of 2017, LiCo Energy Metals Inc. ("LiCo") completed 11 diamond drill holes totaling 2,204 m on the Teledyne Cobalt Property. LiCo's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralization along strike, and up and down dip. The program tested the Teledyne Zone for a strike length of approximately 220 m.

Significant cobalt mineralization intersected in the Phase 1 diamond drilling program include:

- TE17-01 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.
- TE17-02 0.95% Co over 1.9 m from 143.0 to 144.9 m, incl. 2.58% Co over 0.60 m from 144.30 to 144.90 m.
- TE17-02 0.59% Co over 3.9 m from 156.0 to 159.9 m, incl. 2.22% Co over 0.60 m from 156.6 to 157.2 m.
- TE17-04 1.82% Co over 6.00 m from 138.00 to 144.00 m, including 5.06% Co over 1.75 m from 141.25 to 143.00 m.
- TE17-05 2.32% Co over 4.00 m from 126.5 to 130.50 m.
- TE17-05 1.70% Co over 6.00 m from 136.00 to 142.00 m.
- TE17-07 0.50% Co over 2.10 m from 127.60 to 129.70 m.
- TE17-08 0.77% Co over 3.40 m from 169.50 to 172.90 m, including 1.17% Co over 2.00 m from 169.50 to 171.50 m.
- TE17-08 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 0.54% Co over 2.00 m from 130.00 to 132.00 m.

On May 8th, 2018, Surge announced that it had entered into an option agreement with LiCo, whereby Surge can earn an undivided 60% interest in the Teledyne Cobalt Property and the adjacent Glencore Bucke Property. Under the terms of the agreement, Surge will pay LiCo the sum of $240,000 and issue 1,000,000 fully paid and non-assessable common shares in the capital of Surge upon TSX Venture Exchange approval. In addition, Surge shall incure an aggregate of $1,536,000 in exploration expenditures on the Property on or before two years from the date of the agreement. Upon Surge having exercised the option in full, Surge will have earned an undivided 60% interest in the Property, and the parties will enter in a commercially reasonable and definitive joint venture agreement. The agreement is also subject to a 2% net smelter royalty ("NSR") to Palisade Resources Corp. LiCo shall have the right to purchase 1% of the NSR from Palisade for the aggregate amount of $1,000,000, reducing the royalty to 1% after such purchase.

It is recommended that a Phase 1 surface exploration and Phase 2 diamond drilling program be completed on the Teledyne Cobalt Project. The Phase 1 surface exploration program should be focused on compiling historical work completed on the Property,

followed by prospecting and geological mapping to map in the geological contacts and structures on the Property, which will assist in the preparation of future work programs. The Phase 2 diamond drilling program should continue to expand on the results generated from LiCo's first phase of drilling with the intent of completing 43-101 compliant resource estimate, but also to explore for additional mineralized zones that may be located within proximity to the Teledyne Main Zone, and elsewhere on the Property. The aggregate expenditure of the work programs proposed is estimated to be $523,243.

2. INTRODUCTION AND TERMS OF REFERENCE

2.1 Introduction

At the request of Surge Exploration Inc. (“Surge”), the author has prepared this Technical Report to provide a summary of scientific and technical data on the Teledyne Cobalt Property (“Property”). This Technical Report provides a summary and description of results from exploration work carried out in 2017 and by previous operators on the Property.

2.2 Terms of Reference

The author was retained by Surge to carry out an independent technical review of the Property. The review commenced February 6th and continued through to May 8th, 2018.

The author’s assignment consisted of:

1) Reviewing and summarizing historical exploration data generated on the Property prior to Surge’s acquisition of the Property;
2) Summarizing and interpreting drill results from LiCo’s recently completed Phase 1 diamond drilling program.
3) Preparing a technical report on the Property; and
4) Making recommendations for future exploration activities on the Property.

2.3 Sources of Information

The historical exploration information was mostly gathered from the Ontario government databases and from documents provided originally to the author by New Found Gold Corp. (formerly known as Palisade Resources Corp.), and LiCo.

For geographical reference purposes, all UTM locations used in this Technical Report are using NAD83 Zone 17N datum. Tenure information presented in this Technical Report was valid on the MNDM website on February 6th, 2018. Other online database sites providing basic geographic information used for this Technical Report, such as topographic contours, digital elevation models, drainage systems and roads (http://geogratis.cgdi.gc.ca/).

2.4 Details of Personal Inspection of the Property

The author initially visited the Property on September 11th, 2016. The site visit included visiting the location of the Teledyne decline, locating historical drill collars, and reviewing the surficial geology. A gate, located at 604,990E/525,2075N, provides road access to the decline located at 605,116E/525,2016N. The author supervised the Phase 1 diamond drilling program completed by LiCo and is familiar in all aspects with the exploration program completed by LiCo. The author was last on the Property on November 8th, 2017, near the completion of the Phase 1 diamond drilling program.

2.5 Units and Currency

This Technical Report uses both the Imperial and Metric Systems (System International or "SI") as systems of measure and length. Conversions from the Metric System to the Imperial System are provided below and quoted where practical. Many of the geologic publications and more recent work assessment files now use the SI system but older work assessment files almost exclusively refer to the Imperial System. Metal and mineral acronyms in this Technical Report conform to mineral industry accepted usage.

Conversion factors utilized in this Technical Report include: 1 inch = 2.54 centimetres (cm); 1 pound (lb.) = 0.454 kilograms (kg); 1 foot (ft) = 0.3048 metres (m); 1 mile (mi) = 1.609 kilometres (km); 1 acre (ac) = 0.405 hectares (ha); and, 1 sq. mile = 2.59 square kilometres.

Table 1 lists the common abbreviations that are used in this Technical Report. Dollars are expressed in Canadian currency ($) unless otherwise noted. Unless otherwise mentioned, all coordinates in this Technical Report are provided as UTM datum NAD83, Zone 17N.

Table 1: Abbreviations

Abbreviation	Unit or Term
Ag	Silver
ASL	above sea level
As	Arsenic
Au	Gold
Bi	Bismuth
Ga	billion years
C	Celsius
cm	Centimetre
Co	Cobalt
CRM	certified reference material
Cu	Copper
ddh	diamond drill hole
ft^2	square foot
ft^3	cubic feet
°	degree (degrees)
ddh	diamond drill hole
ft	foot (feet)
g	Gram
GIS	Geographic Information System
g/t	gram per tonne
ha	Hectare
“	Inch
km	Kilometre
km^2	square kilometres
M	Metre
mm	Millimetre
Ma	million years
MNDM	Ministry of Northern Development and
NI 43-101	Canadian National Instrument 43-101
NSR	Net Smelter Royalty
oz	ounce(s), Troy ounce(s)
%	Percent
Pb	Lead
ppm	parts per million
QA/QC	Quality Assurance/Quality Control
SG	specific gravity
ton	short ton (2,000 pounds)
T	metric tonne (1,000 kg) (2,204.6 pounds)

3. RELIANCE ON OTHER EXPERTS

The information, conclusions and recommendations contained herein are based on a review of digital and hard copy data and information supplied to the author by Palisade and LiCo, and various reports that were available in the public domain.

Some relevant information on the Property presented in this Technical Report is based on data derived from reports written by geologists and/or engineers who may or may not be "qualified persons" (as defined in NI 43-101). The author has made every attempt to accurately convey the content of those reports, but cannot guarantee either the accuracy, validity, or completeness of the data contained within those files. However, it is believed that these reports were written with the objective of presenting the results of the work performed, without any promotional or misleading intent.

Land tenure information for mining claims has been obtained from the MNDM web site, which contains a disclaimer as to the validity of the provided information.

4. PROPERTY DESCRIPTION AND LOCATION

4.1 Location

The Property is situated in Bucke and Lorrain Townships, located approximately 6 km east-northeast of the town of Cobalt, Ontario.

The Property is bounded by UTM NAD83 Z17T coordinates 604,390E to 607,220E, and 524,8120N to 525,2980N and is covered by National Topographic System (NTS) map sheet 31M/5.

4.2 Mineral Dispositions

The Property consists of 5 patented and 8 unpatented mining claims covering an area of approximately 607.1 ha. Patented and unpatented claim details are provided in Tables 2 and 3 and shown in Figure 2. Separate surface rights for at least two patented claim exists, being claim 429 and REF64769. To the author's knowledge, the surface rights where the planned exploration work is planned is owned 100% by LiCo.

LiCo optioned the Property from Palisade Resources Corp. ("Palisade) on September 8th, 2016. Under the terms of the Option Agreement, LiCo can earn an undivided 100% legal and beneficial interest and right in and to the Property by making staged payments totaling $850,000 and issuing 11,000,000 shares over a period of 78 months. The agreement is also subject to a 2% net smelter royalty ("NSR") to Palisade. LiCo shall have the right to purchase 1% of the NSR from Palisade for the aggregate amount of $1,000,000, reducing the royalty to 1% after such purchase. In 2017, Palisade Resources Corp. changed their business name to New Found Gold Corp ("New Found"). On April 3rd, 2018, LiCo and New Found amended the option agreement to accelerate and amend the remainder of the payments due and owing, so that LiCo will pay $400,000 and issue 4,000,000 shares to New Found upon signing the amended option agreement. Upon the final cash and share payments being made, LiCo will have earned a 100% interest in the Teledyne Cobalt Property.

On May 8th, 2018, Surge announced that it had entered into an option agreement with LiCo, whereby Surge can earn an undivided 60% interest in the Teledyne Cobalt Property and the adjacent Glencore Bucke Property. Under the terms of the agreement, Surge will pay LiCo the sum of $240,000 and issue 1,000,000 fully paid and non-assessable common shares in the capital of Surge upon TSX Venture Exchange approval. In addition, Surge shall incure an aggregate of $1,536,000 in exploration expenditures on the Property on or before two years from the date of the agreement. Upon Surge having exercised the option in full, Surge will have earned an undivided 60% interest in the Property, and the parties will enter in a commercially reasonable and definitive joint venture agreement.

The author has not sought a formal legal opinion with regard to the ownership status of the claims comprising the Property and has in all aspects of tenure relied on materials made available on the MNDM's website (http://www.mci.mndm.gov.on.ca/claims/clm_mdvcl.cfm) and by LiCo and New Found. The author expresses no opinion as to the ownership status of the Property. The author recommends completing title searches on the patented mining claims. The author is aware of several easements on the Property including roads, an electrical power line, and an underground water pipeline.

On April 10th, 2018, the MNDM transitioned to a map staking system based on NTS UTM NAD83 cells. Until this process has been completed, a new claim map with the converted cell-based claims cannot be produced and verified with the individual claim abstract information as

currently no client summaries are available. The claim information provided for the unpatented mining claims refers to the legacy claims. The author is unaware of any potential issues with this transition that could affect the Property.

Table 2: Patented Claim Details

Claim Number	Parcel Number	PIN Number	Township
429	6934	61357-0010 (LT)	Bucke
372/229	3434	61357-0032 (LT)*	Bucke
372 (portion)	12249	61357-0071 (LT)**	Bucke
372/229	10413	61357-0054 (LT)***	Bucke
REF64769	4254	61390-0227 (LT)	Lorrain
T32348	12456	61390-0101 (LT)	Lorrain

*includes area of PIN#61357-0071

**NW corner of PIN#61357-0032

*** Covers same area as PIN #61357-0032 but excludes NW corner (PIN #61357-0071) and excludes small portion in SW corner.

Table 3: Unpatented Claim Details

Claim Number	Township / Area	Recording Date	Claim Due Date	Work Required	Total Applied	Total Reserve	Claim Bank
4282354	Bucke	2016-May-04	2019-May-04	$400	$0	$0	$0
4282529	Bucke	2016-Aug-04	2021-Aug-04	$800	$2,400	$0	$0
4282359	Lorrain	2016-May-04	2021-May-04	$400	$1,200	$0	$0
4282369	Lorrain	2016-May-04	2021-May-04	$2,400	$7,200	$0	$0
4282393	Lorrain	2016-May-04	2021-May-04	$2,800	$8,400	$0	$0
4282530	Lorrain	2016-Aug-04	2021-Aug-04	$3,200	$9,600	$0	$0
4283363	Lorrain	2016-May-04	2021-May-04	$2,400	$7,200	$0	$0
4283365	Lorrain	2016-May-04	2021-May-04	$800	$2,400	$0	$0

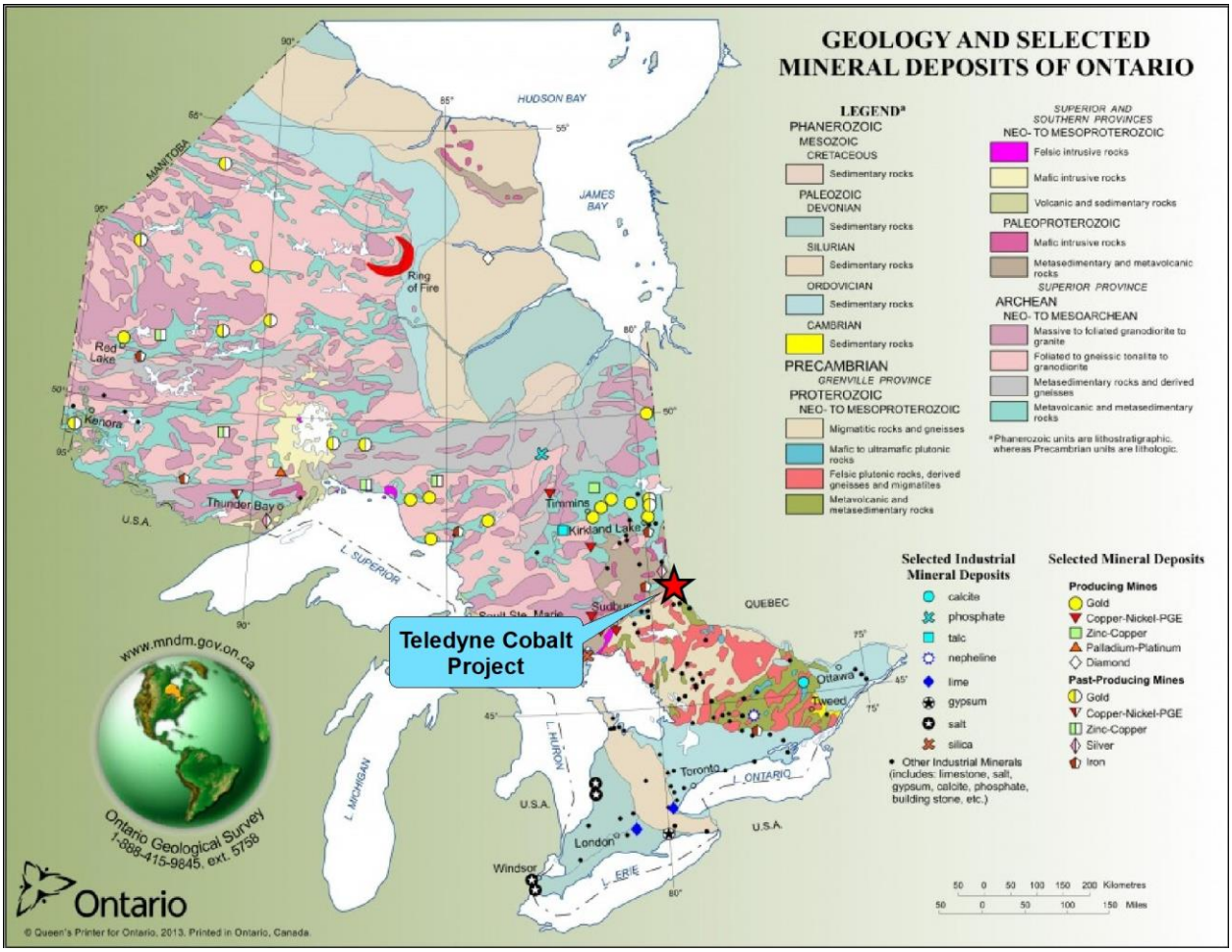

Figure 1: Location of the Teledyne Cobalt Project, Ontario

4.3 Environmental Liabilities and Permitting

Environmental liabilities on the Property are confined to the patented claims and include the decline and any previous water quality impairments that exist on the Property. There are no known other environmental liabilities that the author is aware of.

Bresee (1981) reports that approximately 32,000 tons of rock were excavated during the construction phase of the decline and stored on surface 1,000 ft (304.8 m) away from the entrance to the decline. If there are any metals, including arsenic, present in the waste rock pile, it could affect drainage from the site in terms of water quality. During the site visit and following work programs, the author was not able to locate the waste pile and believes that the waste pile was removed from the Property at some point prior to LiCo's involvement with the Property.

An environmental due diligence study should be completed to identify the nature and extent of any environmental liabilities that may be present on the Property. The Ontario Environmental Protection Act and the Ontario Water Resources Act provide that past and present owners can be held responsible for the discharge of contaminate.

MNDM has indicated to the author that a closure plan was filed by Ego Resources Inc. in 1995. The closure plan was submitted for an Advanced Exploration Project that included dewatering and rehabilitating the decline and carrying out some underground exploration work. The closure plan was not accepted by the MNDM and the work that was outlined was not completed. There was no financial assurance submitted to the MNDM by Ego Resources Ltd.

The Ontario Mining Act requires exploration plans and permits for exploration to be undertaken on Crown Lands. Once the application has been received, the MNDM circulates the exploration plan and permit to the Environmental Registry and to Aboriginal communities whose traditional lands may be impacted by the work. The processing periods for exploration plans is 30 days, and 50 days for exploration permits. Consultations with the affected Aboriginal communities identified by the MNDM are recommended. No exploration plan or permit is required to complete exploration work on patented mining claims, however plans and permits are required for completing work on unpatented mining claims.

5. ACCESS, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

5.1 Accessibility

The Property is situated approximately 6 km east-northeast of the town of Cobalt, Ontario in Bucke and Lorrain Townships. Highway 537, a well-maintained gravel highway, provides access to the Property. Bucke Park road, located at 604,590E/525,1790N, provides access through claim 372. An unmarked road, located at 604,990E/525,2075N, leads to the decline located at 605,116E/525,2016N.

The remaining patented and unpatented claims can be accessed through secondary roads and trails located off of Highway 537.

5.2 Climate

The Property is under the influence of a moist boreal climate. The mean January temperature is -16.4ºC; the mean July temperature is 18.1ºC. The annual precipitation is approximately 785.1 mm (http://climate.weatheroffice.gc.ca). The beginning of permanent snow cover varies from year to year, sometimes starting in November and lasting until late April.

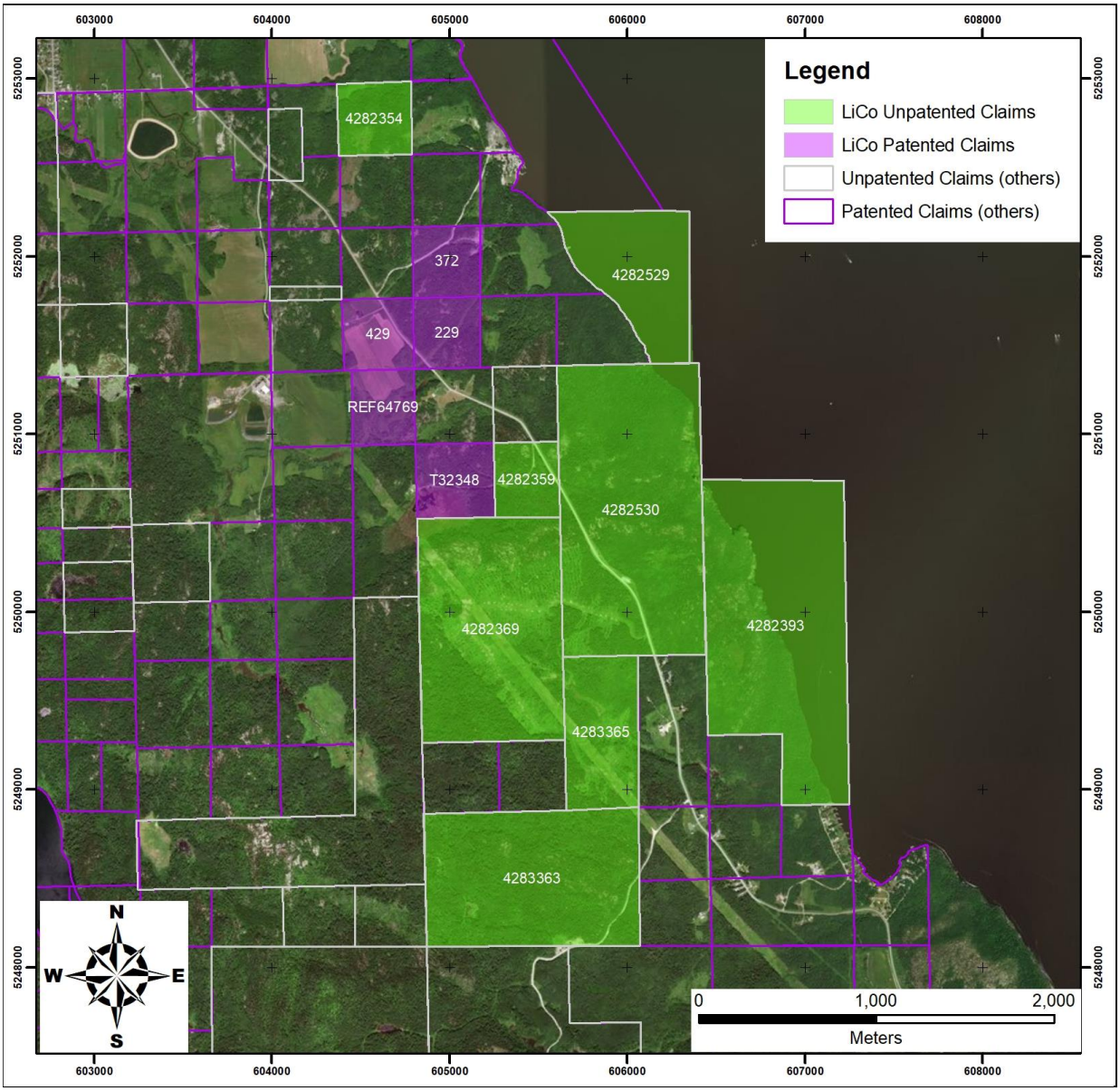

Figure 2: Land Tenure for the Teledyne Cobalt Project

5.3 Local Resources and Infrastructure

Local resources on the Property consist of mixed deciduous and coniferous trees.

An electrical power line crosses the Property and comes within 75 m from the entrance of the decline.

Highway 11B is located approximately 4 km to the northwest of the Property, and the Ontario Northland Railway, operated by the Ontario Northland Transportation Commission, a provincial Crown agency of the government of Ontario, services Cobalt.

Most supplies and services can be found in Temiskaming Shores, Ontario, a City with a population of approximately 10,500.

5.4 Physiography

The local terrain consists of gently rolling to steep ledges and cliffs. Typical vegetation on the Property consists of a boreal forest with a mixture of coniferous and deciduous trees, including poplar, birch, pine, spruce, alders, and willows. The elevation of the Property is approximately 210 m above sea level and the maximum topographical relief is generally less than 25 m.

6. HISTORY

At the time of writing this Technical report, limited historical information on the patented claims was available through online searches of assessment files through MNDM's Assessment File Research Imaging (AFRI) database. It is highly recommended that the Resident Geologist's Office in Kirkland Lake be visited to locate additional historical reports that pertain to the patented and unpatented claims that may not be accessible online.

6.1 Historical Mineral Exploration – Patented Claims

Claim 372

In 1953, Big Agaunico Mines Ltd. carried out a drilling program on a portion of LiCo's Property to locate the extension of the south-striking Agaunico cobalt zone (Vein #15). Drill holes No. 8

and No. 12 intersected 0.58% Co over 5 ft (1.5 m), and 0.46% Co over 3 ft (0.9 m) respectively. These intersections, located 350 ft (106.7 m) and 600 ft (182.9 m) south of the northern claim boundary of claim 372, confirmed the extension of the Agaunico cobalt zone on the Property (Cunningham-Dunlop, 1979).

In 1979, following up on Big Agaunico's drill results, Teledyne Canada Ltd. ("Teledyne") completed six surface diamond drill holes totalling 4,203 ft (1281.1 m). Teledyne encountered the zone of cobalt mineralization intersected by Big Agaunico, and extended the mineralization 640 ft (195 m) south from northern claim boundary. In 1980, Teledyne completed a 10 ft (3 m) by 13 ft (4.0 m) access decline at a decline of -15 degrees for length of approximately 2,300 ft (701 m) to reach the mineralization encountered in their recent drill program. A total of 6,167 ft (1,879.7 m) of underground diamond drilling was completed in 22 drill holes. The drill program confirmed the extension of the Agaunico cobalt zone onto claim 372 for a strike length of 500 ft (152.4 m). The drill program also encountered a second zone with a strike length of 450 ft (137.2 m). The most significant results included 0.644% Co over 55.3 ft (16.9 m), 0.74% Co over 28.6 ft (8.7m), and 2.59% Co over 8 ft (2.4 m) (Bresee, 1981). The aforementioned widths represent drill intersected widths, not true widths. Table 4 provides the highlights from the drilling completed on the Teledyne Cobalt Project from 1979 through to 1980. Figure 3 displays the historical drill hole locations and traces. Based on the surface and underground diamond drill programs, historical reserves of 60,000 tons in the geologically inferred category, and 40,000 tons in the probable category, at an average grade of 0.45% Co, 0.6 oz/t Ag was estimated (Linn, 1983). The historical reserve contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. Surge is not treating the historical reserve estimate as a current mineral resource or mineral reserve.

In the winter of 2017, LiCo completed a UTEM5 survey designed to test mineralized zones outlined by historical diamond drilling, extend those features, and to outline new conductors over patented claims 372 and 229. A total of 3.0 line km's of 3-component - BL/BT/Bz - 2 transmitter-loop UTEM5 data was collected using a total of four transmitter loops (two sets of paired loops). The basic coverage consisted of three-component data collected from two loops simultaneously. No significant conductors of economic potential were outlined in the survey.

Table 4: Highlights from the 1979-1980 diamond drilling programs

DDH	Sample Width (ft)	Sample Width (m)	Co (%)	Ag (oz/ton)
UT-2	55.3	16.86	0.64	-
includes	3.0	0.91	6.90	0.22
UT-3	28.6	8.72	0.74	-
includes	1.0	0.30	10.20	-
UT-8	1.5	0.46	0.10	4.21
UT-11	6.5	1.98	0.45	0.88
UT-13	8.0	2.44	0.49	-
UT-15	5.2	1.58	0.59	-
UT-16	5.5	1.68	0.50	-
UT-18	8.0	2.44	2.59	-
UT-20	17.0	5.18	0.35	-
UT-21	10.0	3.05	0.59	-
T-1	5.5	1.68	1.02	0.27
includes	0.5	0.15	10.80	2.36
T-5	17.0	5.18	0.50	0.13
T-6	5.5	1.68	0.53	0.59

* T-series = surface drill holes, UT-series = underground drill holes.
** sample widths represent drill intercept widths, not true widths.

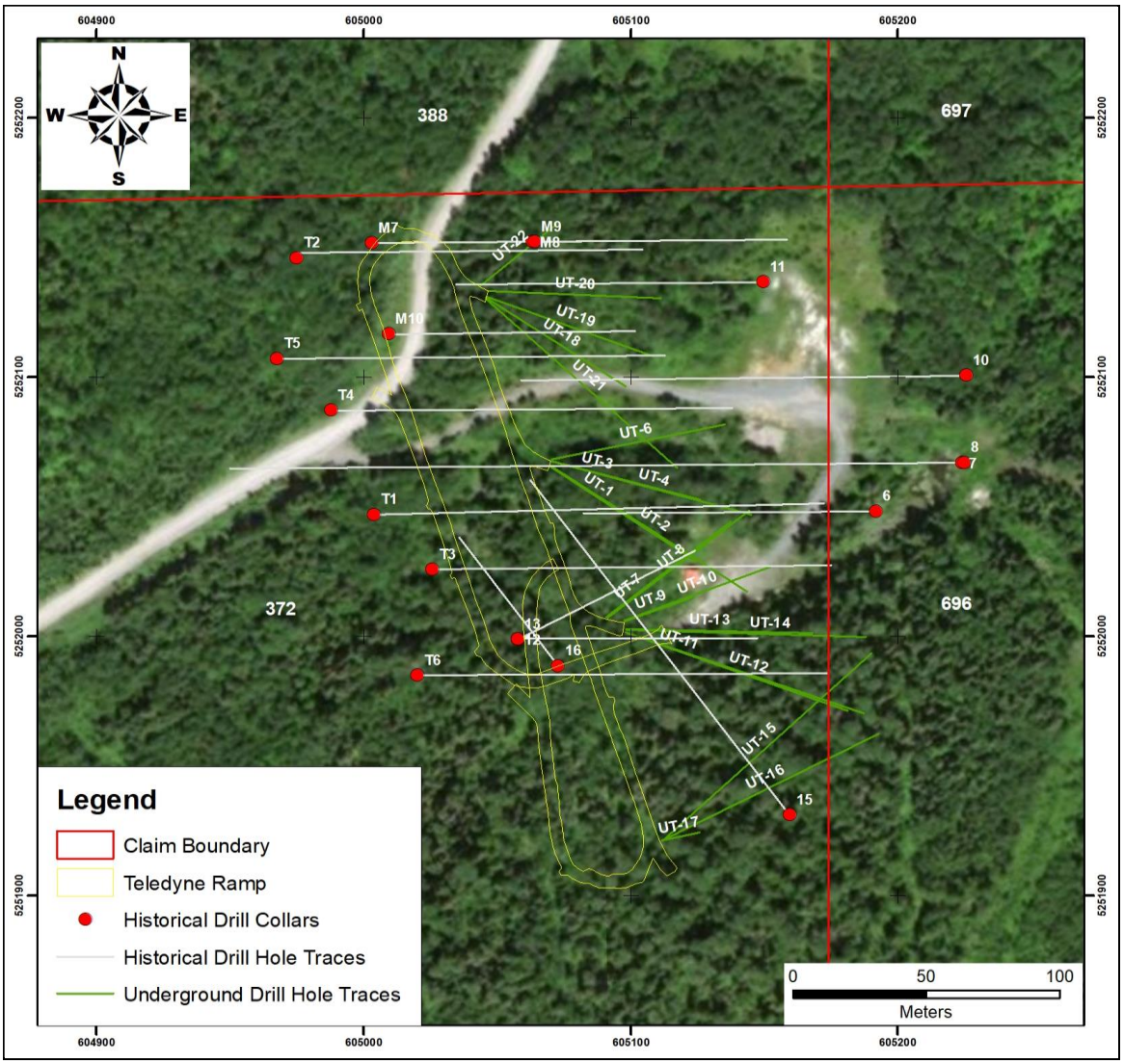

Figure 3: Big Agaunico and Teledyne Canada's DDH's projected to surface.

In the fall of 2017, LiCo completed 11 diamond drill holes totalling 2,204 m of NQ core on the Teledyne Cobalt Property. Project Management for the program was provided by the author, and Project Supervision was provided by Dwayne Melrose, a Director and Technical Advisory Chair of LiCo at the time.

LiCo's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralized zones on the Property. The program tested the Main Zone over a strike length of approximately 220 m (Figure 4). Diamond drill hole information is provided in Table 5, and significant results are provided in Table 6.

Significant results from the Phase 1 diamond drilling program completed on the Teledyne Cobalt Project by LiCo include:

- TE17-01 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.
- TE17-02 0.95% Co over 1.9 m from 143.0 to 144.9 m, incl. 2.58% Co over 0.60 m from 144.30 to 144.90 m.
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- TE17-08 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 0.54% Co over 2.00 m from 130.00 to 132.00 m.

The aforementioned intervals represent core lengths, and not true widths.

Table 5: Phase 1 Diamond Drill Hole Details

DDH	Easting	Northing	Elev (m)	Azm	Dip	Length (m)
TE17-01	604996.69	5252106.53	226.20	090	-49	201
TE17-02	604973.66	5252156.42	232.73	090	-45	220
TE17-03	604986.02	5252156.86	231.73	090	-45	200
TE17-04	604974.28	5252166.78	233.10	090	-45	200
TE17-05	604986.45	5252166.95	231.79	090	-45	200
TE17-06	605002.59	5252062.15	225.00	090	-45	201
TE17-07	605019.90	5252043.23	222.76	090	-50	201
TE17-08	605054.31	5251974.20	222.47	090	-49	200
TE17-09	605035.47	5252014.19	218.05	090	-45	201
TE17-10	605020.03	5252043.24	222.75	090	-45	180
TE17-11	605019.73	5252043.24	222.73	090	-54	200

Table 6: Highlights from the Phase 1 Diamond Drilling Program

DDH	From (m)	To (m)	Core length (m)	Co (%)	Ag (ppm)	Cu (ppm)	Zn (ppm)	Pb (ppm)
TE17-01	136.00	142.00	6.00	0.62	0.9	51	37	4
incl.	136.50	137.00	0.50	0.23	0.9	6	47	2
incl.	139.75	142.00	2.25	1.54	1.8	121	40	8
incl.	140.25	141.00	0.75	3.92	2.4	216	39	13
TE17-02	142.5	144.9	2.4	0.76	1.6	202	35	10
incl.	143	144.9	1.9	0.95	1.8	234	36	10
incl.	144.3	144.9	0.6	2.58	1.5	140	39	12
TE17-02	152	161	9	0.34	1.1	203	262	29
incl.	152	154.2	2.2	0.26	1	101	239	38
incl.	156	159.9	3.9	0.59	1.6	377	445	41
incl.	156	157.8	1.8	0.90	2.3	228	924	79
incl.	156.6	157.2	0.6	2.22	5.4	590	2705	226
TE17-03	128.5	129.5	1	0.11	3.1	183	28	26
TE17-03	152.4	155.7	3.3	0.09	1.2	13	22	5
TE17-03	155.1	155.7	0.6	0.22	1.7	23	14	8
TE17-04	138.00	144.00	6.00	1.82	4.7	742	49	20
incl.	138.50	144.00	5.50	1.98	5	786	51	21
incl.	139.00	144.00	5.00	2.16	5.4	840	53	23
incl.	140.45	143.00	2.55	3.84	8	1242	67	33
incl.	141.25	143.00	1.75	5.06	9.1	744	85	36

DDH	From (m)	To (m)	Core length (m)	Co (%)	Ag (ppm)	Cu (ppm)	Zn (ppm)	Pb (ppm)
incl.	141.64	141.79	0.15	18.70	16	251	6	37
TE17-05	126.50	130.50	4.00	2.32	7.6	425	49	61
incl.	127.00	128.00	1.00	8.48	5.6	105	25	24
incl.	127.00	129.00	2.00	4.47	7.1	263	28	50
incl.	127.64	128.00	0.36	21.9	11.5	42	31	36
TE17-05	136.00	142.00	6.00	1.70	2.6	40	148	28
incl.	136.00	140.00	4.00	2.47	2.8	34	210	33
incl.	136.50	138.5	2.00	4.41	3.7	30	141	46
TE17-06	164.00	165.00	1.00	0.14	0.7	4	33	6
TE17-07	127.60	129.70	2.10	0.50	2.3	130	157	32
incl.	128.20	128.60	0.40	1.50	6.6	206	84	46
TE17-08	160.00	160.50	0.50	0.25	7.7	516	27	402
TE17-08	165.50	166.50	1.00	0.23	4.7	59	31	652
TE17-08	169.50	172.90	3.40	0.77	7.6	252	68	1370
incl.	169.50	171.50	2.00	1.17	8.3	62	41	1758
incl.	171.00	171.50	0.50	2.09	23.5	228	46	5400
TE17-08	174.00	175.20	1.20	0.59	21	338	43	2191
incl.	174.30	175.20	0.90	0.71	24.4	437	43	2548
TE17-08	178.60	179.20	0.60	0.62	20.8	101	72	991
TE17-09	145.50	147.50	2.00	0.09	0.4	13	16	5
incl.	146.40	146.65	0.25	0.20	0.4	5	15	2
TE17-10	124.55	128.00	3.45	0.11	0.5	10	24	4
incl.	124.55	125.50	0.95	0.19	0.7	9	25	5
TE17-11	130.00	132.00	2.00	0.54	1.1	13	36	8
incl.	130.00	130.50	0.50	1.07	0.7	14	29	3

* Intervals reported in Table 6 represent core lengths and not true widths.

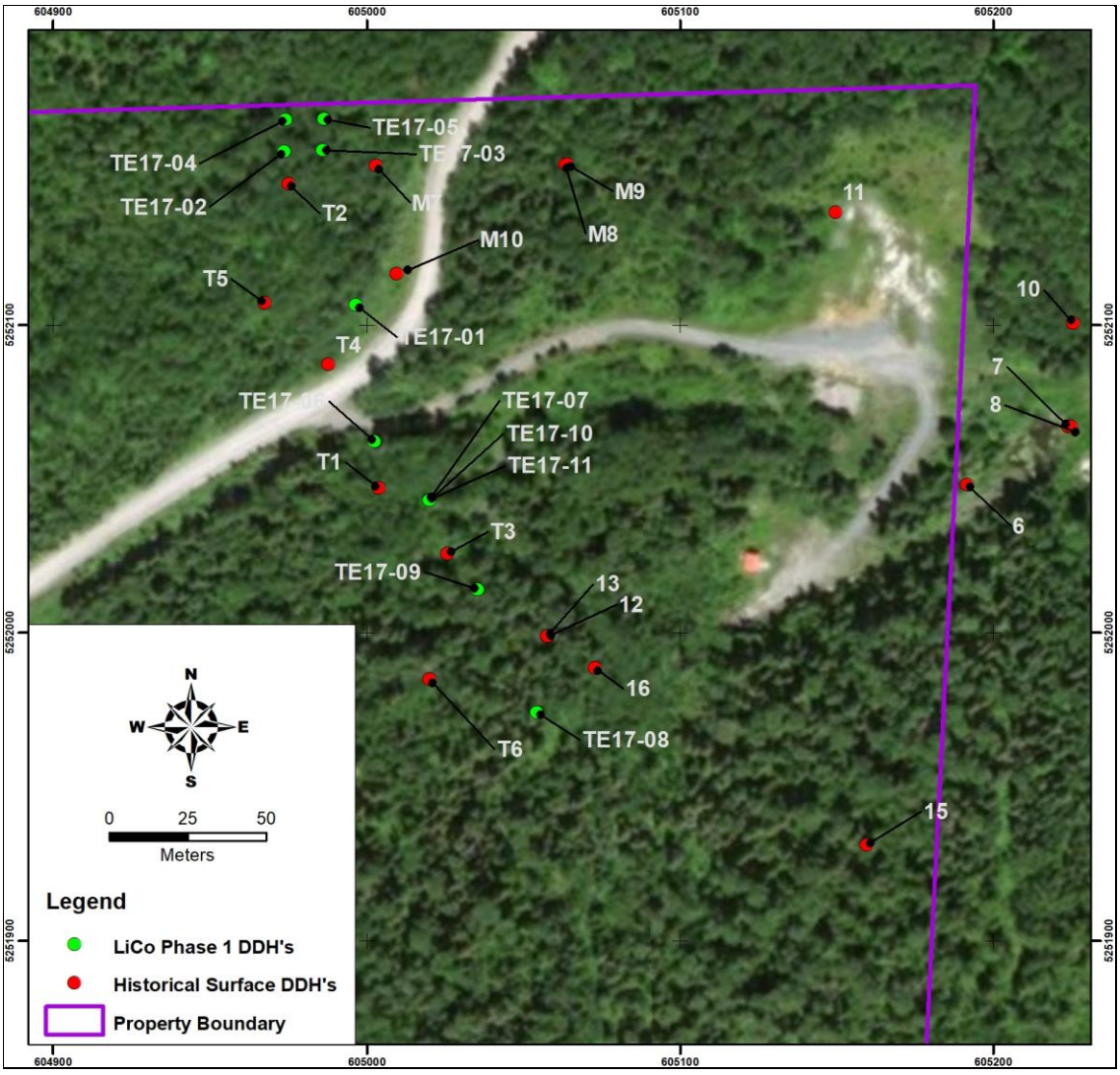

Figure 4: Location of LiCo's Phase 1 diamond drill holes.

Claim 429

No historical mineral exploration has been reported on this claim.

Claim REF64769

No historical mineral exploration has been reported on this claim.

Claim T32348

In 1952, Fred Thompson completed one drill totaling 124 ft (37.8 m). No information on the results are known at this time.

Claim 229

No historical mineral exploration has been reported on this claim.

6.2 Historical Mineral Exploration – Unpatented Claims

Assessment files covering the unpatented mining claims were sourced online through MNDM's Assessment File Research Imaging (AFRI) database. The summaries provided below are not an inclusive account of all of the work performed on the Property. The author recommends that LiCo undertake a GIS compilation of all of the historical work that has been completed on the patented and unpatented claims. Additionally, any historical prospects, drill holes, shafts, etc., should be located in the field to confirm their location with the current claim fabric. It is also recommended that the Resident Geologist's Office in Kirkland Lake be visited to locate additional historical reports that pertain to the Property which may not be available online.

Unpatented Claim 4282354

1908: Stellar Silver Cobalt Mines sank a 45 ft (13.7 m) deep shaft near the southeast corner of the claim, and drove an 18 ft (5.5 m) adit near the northeast corner of the claim. Results unknown.

1956-1959: Eight diamond drill holes were completed. Assays or logs were not made public.

1967: Prospecting, geological mapping, and geophysical surveying (magnetics, radiometrics) were completed by an unknown individual. Results unknow.

1980: Malouf Holdings completed line cutting and limited geophysical surveying (VLF-EM, magnetometer). Mechanical stripping was recommended to follow up on some of the anomalies. No results available.

1985: T.T.L. Minerals Ltd. completed two diamond drill holes totalling 236 ft (71.9 m). No significant results were reported.

1997: S. Wareing and M. Simpson completed prospecting on the claim.

2004: Cabo Mining completed geological mapping on the claim.

Unpatented Claim 4282359

2002: Cabo Mining completed geological mapping on the claim.

Unpatented Claim 4282369

1951: Broshier Porcupine Mines Ltd. completed 4 diamond drill holes totalling 1719.5 ft (524.1 m). No assays were reported.

1985: Osisko Lake Mines Ltd. completed prospecting and geophysical surveying (VLF-EM).

2012: Canagco Mining Corp. completed prospecting.

Unpatented Claim 4283363

1906-1909: Extensive surface work and three shafts were sunk on the Big Fissure prospect located on the west side of the current claim. Results unknow.

1963: Benner completed one diamond drill hole totalling 202 ft (61.6 m). No assays reported.

1964: March Minerals Ltd. completed 6 diamond drill holes totalling 1,011 ft (308.2 m).

1974: McAllister completed 7 trenches and 2 diamond drill holes totalling 131 ft (39.9 m). A sample from a 2” wide cobalt vein assays 23 oz/ton Ag. The drill holes did not intersect any significant mineralization.

1979-1980: Teck Explorations Ltd. optioned claims owned by McAllister and completed trenching, geophysical surveying (magnetics, VLF-EM), and diamond drilling on the Big Fissure prospect (formerly claim S398702). Seven drill holes totalling 3,569 ft (1,087.8 m) were completed. Assays were not reported. Surface grab samples from the main trench assayed up to 1,196 oz/ton Ag, 10.20 % Co, and 7.28% Ni (Dillon, 1980).

Unpatented Claim 4282529

No assessment files were available through MNDM’s AFRI online database.

Unpatented Claim 4282393

1955: Cobalt Consolidated Mining Corp. Ltd. completed geophysical surveying (EM).

1985: Osisko Lake Mines Ltd. completed prospecting and geophysical surveying (VLF-EM).

1995: 683648 Ontario Ltd. completed limited geophysical surveying (magnetometer) towards the northern boundary of the current claim.

2008: International Millennium Mining Corp. completed line cutting and MMI soil sampling.

Unpatented Claim 4282530

1952-1955: Masco Cobalt Silver Mines Ltd. completed 9 diamond drill holes totalling 5,828.5 ft (1776.5 m) along the northern boundary of the claim. No results available.

2002: Cabo Mining completed geological mapping on the claim.

2008: International Millenium Mining Corp. completed line cutting and MMI soil sampling. No results available.

7. GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

The regional geology can be summarized as consisting of Archean metavolcanics and metasediments that can be summarized as a steeply dipping sequence of mafic to felsic volcanics, intercalated with cherty and sulphidic interflow sediments, along with intrusions of mafic to ultramafic dykes and sills (Figure 5). The Archean rocks have been unconformably overlain by Huronian Supergroup sedimentary rocks of Proterozoic age that were deposited between 2,220 and 2,500 Ma. The Huronian Supergroup sedimentary rocks are commonly found filling paleo-valleys or troughs in the Archean basement. Nipissing Diabase dykes and sills, dated at 2,219 Ma, intrude the Huronian and older rocks (Bennett, Dressler, & Robertson, 1991). The youngest rocks in the area are late Precambrian diabase and later olivine diabase dykes, dated at 2,454 Ma and 1,238 Ma respectively (Osmani, 1991). The Middle and Late Precambrian rocks have been faulted and locally folded adjacent to the faults.

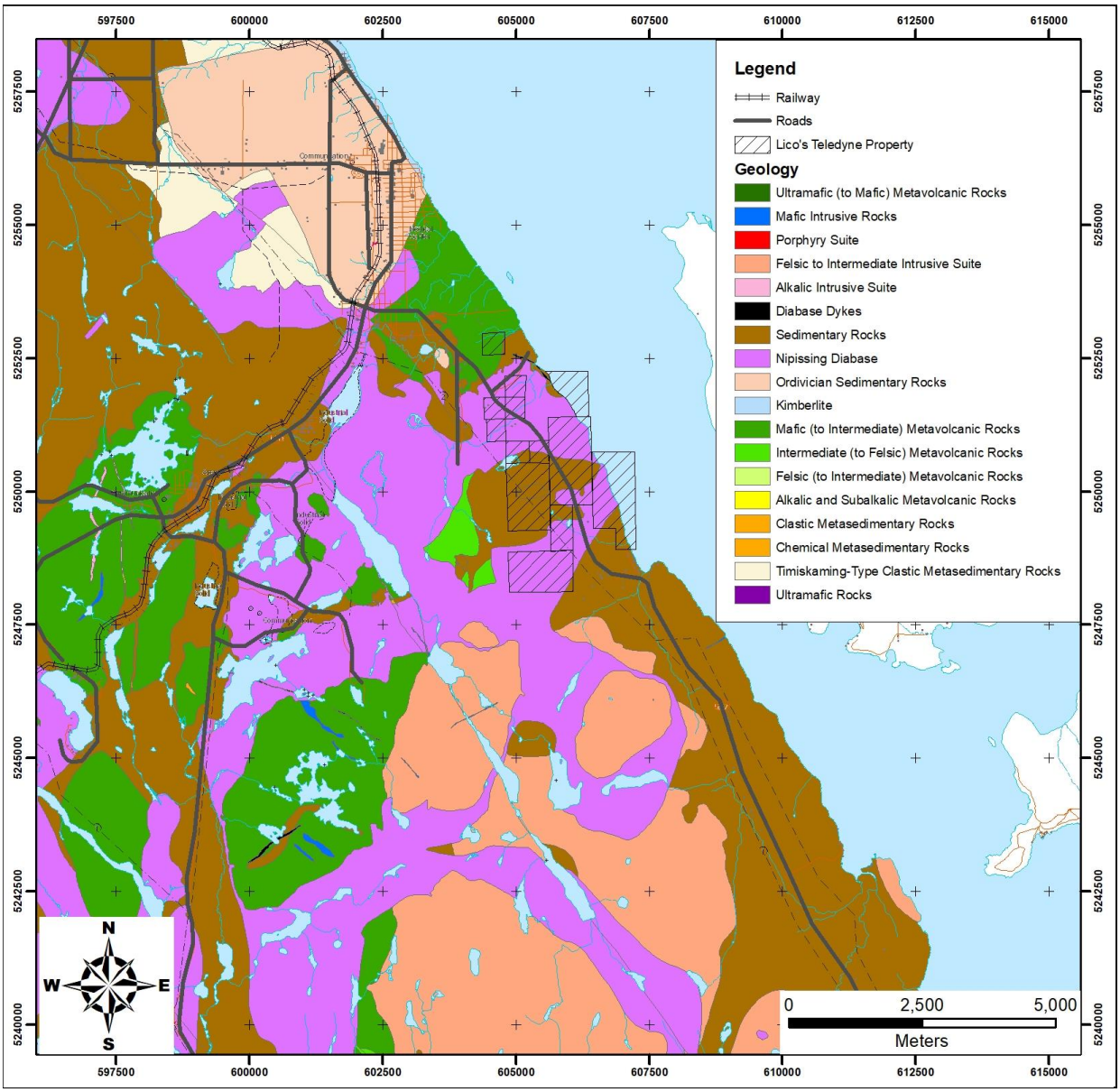

Figure 5: Regional Geology of the Cobalt Area, Ontario (after OGS MRD 282)

7.2 Property Geology

The Property is underlain by an undulating gabbroic intrusive sill (Nipissing Diabase), which in turn is underlain by Huronian Supergroup sedimentary rocks that include Gowganda Formation feldspathic quartzites, siltstones, and conglomerates. The Proterozoic-aged sediments in turn, unconformably overlie Archean metavolcanics and metasediments (Figure 6).

The Nipissing Diabase is a generally homogeneous unit, typically medium grained and massive, becoming finer grained near the lower contact. The Nipissing Diabase dips to the south, exposing the lowermost rocks of its stratigraphy at the northern extent of the Property, and going southward rocks of higher stratigraphy are exposed at surface due to current level of erosion.

Fine grained massive to bedded quartzites and siltstones, along with pebble to boulder conglomerates of the Gowganda Formation comprise the Huronian Supergroup sediments. Occasionally the quartzites and siltstones contain isolated pebbles, usually comprised of granite, quartz, metasediments, or metavolcanics. The conglomerates can be either matrix or clast supported, with clasts ranging from granite, quartz, metasediments, and metavolcanics.

Archean metavolcanics are described as green, fine to medium grained massive mafic volcanics with lesser amounts of intercalated metasediments.

7.3 Mineralization

Silver and cobalt mineralization on the Property is hosted within steeply dipping quartz and calcite veins, and as disseminations adjacent to the veins within the Huronian sedimentary rocks, and also within the Archean metavolcanics and interflow metasediments.

Cobalt mineralization consists of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ore mined at the neighbouring Agaunico Mine was approximately 0.5%. The steeply dipping cobalt veins of the Agaunico Mine, including vein 15 which was mined to the north boundary of claim 372, extended up to 125 ft (38.1 m) above the Archean-Huronian unconformity. The Co mineralization was locally massive and up to several inches in width within the lower conglomerates, and as fine disseminations and fracture-fills within the slate and quartzite horizons. Mineralization was erratic along strike, and stoping widths varied from 5 ft (1.5 m) to 50 ft (15.2 m). The average width for the Agaunico stope, mined to the northern boundary of claim 372, was 15 ft (4.6 m) (Cunningham-Dunlop, 1979).

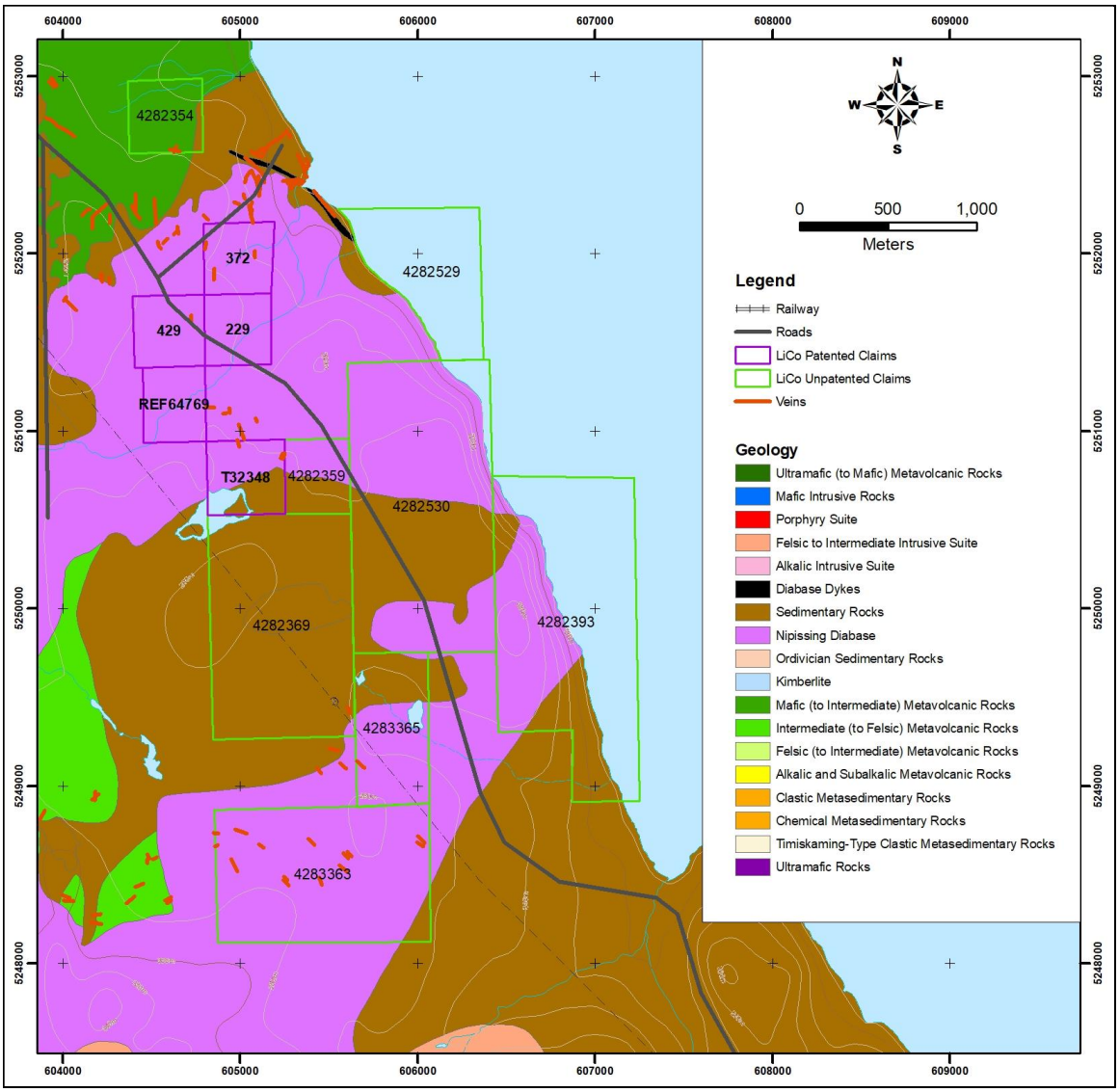

Figure 6: Property Geology (after MRD 282).

8. DEPOSIT TYPES

The Proterozoic-aged veins hosting the mineralization in the Cobalt Camp are referred to as five-element veins, containing Ni, Co, As, Ag, and Bi. Most of the silver deposits in the Cobalt Camp are located proximal to the Huronian-Archean unconformity and are spatially associated with the Nipissing diabase sills. The majority of the historical silver production from the Cobalt Camp has been within 200 m of the contacts of the diabase, and due to this association, it is postulated that the emplacement of the diabase provided favorable sites of structural permeability for vein formation, and served as a heat source for the hydrothermal fluids to remobilize the Ni, Co, As, Ag, and Bi directly from the underlying Archean metavolcanics and metasedimentary rocks into structures that either predated, or accompanied vein development (Smyk & Watkinson, 1990).

Mineralization in the Cobalt Camp is typically discontinuous along the structure with high-grade "ore pockets" commonly occurring near vein intersections, or at the intersections of veins with late, shallow-dipping shear zones, and at lithological contacts.

9. EXPLORATION

Surge has not completed any exploration activities on the Property.

10. DRILLING

Surge has not completed any drilling on the Property.

11. SAMPLE PREPARATION, ANALYSES, AND SECURITY

Not applicable.

12. DATA VERIFICATION

12.1 Historical Data Verification

Historical data verification included a site visit completed on September 11th, 2016, a requirement for the completion of LiCo's 43-101 Technical Report on the Teledyne Cobalt Project dated October 5th, 2016. The author reviewed assessment files made available through MNDM's Assessment File Research Imaging (AFRI) database. Subsequent to this, the author has visited the Property on numerous occasions and is familiar with the Property. It is recommended that the Kirkland Lake Resident Geologist's office be visited to locate additional historical reports that may pertain to the Property.

The author has relied upon the historical information that has been reviewed and described in previous sections within this report. The author is of the opinion that the available historical information is of sufficient accuracy for the purposes of this report.

12.2 Recent Data Verification

LiCo has recently completed a Phase 1 diamond drilling program on the Teledyne Cobalt Property. This work program, described in Section 10 of this report, was supervised by the author. The author reviewed the assay data and monitored the QA/QC results for consistency during the diamond drilling program. The author followed industry standards and protocols and is of the opinion that the data is adequately verified for the purpose of this report.

Diamond drill core was logged, then sawed in half, with one half placed in a labelled bag, and the remaining half placed back into the core box and stored. Either a standard or a blank was inserted every 20th sample. Standard material was sourced from Ore Research and Exploration Pty Ltd. The standards used were Oreas 75b, 76b and 166. Blank material was sourced from Analytical Solutions Ltd. and consisted of coarse silica >1/4" in size.

Diamond drill core, pulps, and rejects are securely stored at 134 Imperial Rd, North Bay, Ontario.

All samples were shipped to Activation Laboratories in Ancaster, Ontario, a full analytical laboratory that is ISO 17025 accredited and/or certified to 9001. Activation Laboratories is independent of the issuer.

For samples from drill holes TE17-01 through to TE17-11, the sample was coarsely crushed and a 250 g aliquot was then pulverized. A 0.25 g sample is digested with a near total digestion (4

acids) and then analyzed using an ICP. QC for the digestion is 14% for each batch, 5 method reagent blanks, 10 in-house controls, 10 samples duplicates, and 8 certified reference materials. An additional 13% QC is performed as part of the instrumental analysis to ensure quality in the areas of instrumental drift. If over limits for Cu, Pb, Zn, and Co are encountered, a sodium peroxide fusion, acid dissolution followed by ICP-OES is completed. For Ag over limits, a four-acid digestion is completed followed by ICP-OES.

It is the author's opinion that sufficient care was applied to ensure the integrity of the samples during collection and processing, and that the chain of custody is appropriate for the level of exploration on the project. The sample preparation and analytical methods are appropriate for the mineralization, and that the analytical data generated by Activation Laboratories can be considered reliable for the purpose of this Technical Report.

13. MINERAL PROCESSING AND METALLURGICAL TESTING

There has been no mineral processing or metallurgical testing completed on the Property.

14. MINERAL RESOURCE ESTIMATES

There is no mineral resource yet defined on the Property.

15. MINERAL RESERVE ESTIMATES

There are no mineral reserves yet defined on the Property.

16. MINING METHODS

Not applicable.

17. RECOVERY METHODS

Not applicable.

18. PROJECT INFRASTRUCTURE

Not applicable.

19. MARKET STUDIES AND CONTRACTS

Not applicable.

20. ENVIRONMENTAL STUDIES, PERMITTING, AND SOCIAL OR COMMUNITY IMPACT

Not applicable.

21. CAPITAL AND OPERATING COSTS

Not applicable.

22. ECONOMIC ANALYSIS

Not applicable.

23. ADJACENT PROPERTES

The Cobalt mining camp has seen considerable exploration and development since the discovery of silver in 1903 and thus there are numerous adjacent Properties. To describe each Property would be very time consuming. For the purpose of this report, the author feels that the three most important Properties that should be included in this technical report are the nearby Agaunico Mine, Falconbridge's 585 claim (currently known as the Glencore Bucke Property), Helens-Eplett Property, and the Cobalt Contact Property. The location of these properties is displayed in Figure 7.

Agaunico Mine Property

The Teledyne Cobalt Project adjoins the south and west boundaries of claims that hosted past producing Agaunico Mine (claims 388, 696, 697, 932, 944, 2623). From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt ("Co"), and 980,000 oz. of silver ("Ag") (Cunningham-Dunlop, 1979). The amount of Co produced from the Agaunico Mine is greater than that of any other mine in the Cobalt Mining Camp. Production ceased in 1961 due to depressed Co prices and over-supply (Thomson, 1964).

Cobalt mineralization consisted of cobaltite and smaltite hosted within steeply dipping veins and extensive disseminations within Huronian sedimentary rocks. From 1951 through to 1957, the average Co content of the ores mined at the Agaunico Mine was approximately 0.5%. In 1955, 526,000 lbs. of Co, 146,000 oz. of Ag, 117,000 lbs. of nickel ("Ni"), and 81,000 lbs. of copper ("Cu") were extracted from 62,000 tons of ore (Cunningham-Dunlop, 1979).

A significant portion of the cobalt that was produced at the Agaunico Mine was located along structures (Vein #15) that extended southward towards the northern boundary of claim 372, currently under option to LiCo. Mineralization was generally located within 125 ft (38.1 m) above the Huronian/Archean unconformity. Stoping widths of up to 50 ft (15.2 m) were not unusual at the Agaunico Mine (Cunningham-Dunlop, 1979).

Falconbridge Claim 585 (currently known the Glencore Bucke Property)

To the immediate west of the Teledyne Cobalt Project is claim 585, once owned by Falconbridge Nickel Mines Ltd. In 1981, Teledyne Canada Ltd. optioned the Property and completed 36 surface diamond drill holes, outlining two separate vein systems containing significant cobalt and silver values (Bresee, 1982). The main zone had a north-south strike,

which Teledyne hypothesized was the southern extension of the #3 vein from the Cobalt Contact Mine, located to the north on claim T43819. Drilling by Teledyne followed the structure for approximately 500 ft (152.4 m) south of the northern claim boundary of claim 585. The southern drill holes did encounter cobalt mineralization, thus indicating that the zone could extend further south (Bresee, 1982). Based on the surface drill program completed by Teledyne, historical reserves of 60,000 tons in the geologically inferred category, and 15,000 tons in the probable category, at an average grade of 0.45% Co, 3.0 oz/t Ag was estimated (Linn, 1983). The historical reserve estimate contains categories that are not consistent with current CIM definitions. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. No attempt was made to reconcile the historical reserve calculations as reported by Teledyne Tungsten. Surge is not treating the historical reserve estimate as a current mineral resource or mineral reserve. In 2017, LiCo completed 21 diamond drill holes totalling 1,913.50m testing the main and northwest zones.

Cobalt Contact Property

Surface mineralization that led to the development of the Cobalt Contact Mine was first discovered on claim T43819 in 1905. Cobalt Contact Mining Company acquired the ground, sunk a shaft to a depth of 130 ft (39.6 m), and completed a considerable amount of lateral development. Cobalt Contact Mines Ltd. optioned the claims from 1924 through to 1926, deepened the shaft to 230 ft (70.1 m) and continued exploring three known veins. From 1930 through to 1945, intermittent underground work was carried out by three separate mining companies. Cobalt and silver was produced from the Cobalt Contact Mine, however the author could not confirm the production figures (Thomson, 1964).

Hellens-Eplett Property

The Hellens-Eplett Property (also known as the Gaffney Claim) is located southwest of the Glencore Bucke Property. The earliest known work was completed by Frederick Yellowknife Mines Ltd. that completed several pits, drill holes, and a shaft to a depth 60 ft. The work targeted a calcite vein. During the 1980's, several surface diamond drilling programs were completed which led to the construction of a 10 ft (3.0 m) by 13 ft (4.0 m) access decline at a decline of -15 % for length of approximately 2,600 ft (792.5 m). Several underground diamond drilling programs were completed that intersected numerous silver veins. In 1986, Silverside Resources Inc. the owner of the Property, processed of 600 tons of silver mineralization at the Temiskaming Testing Laboratory and at Lakefield Research.

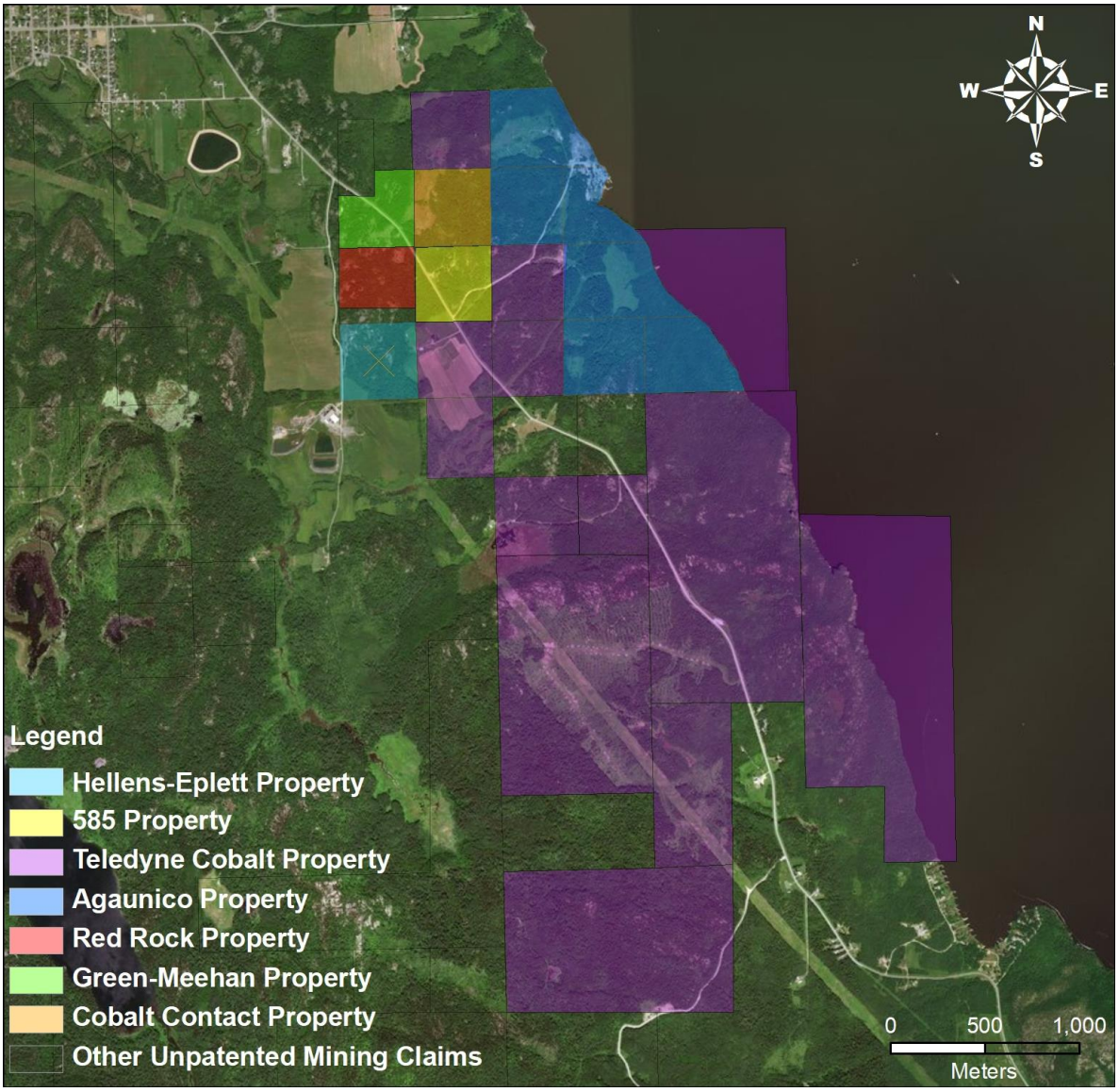

Figure 7: Adjacent Properties to the Teledyne Cobalt Project

24. OTHER RELEVANT DATA AND INFORMATION

The author is unaware of any further data or relevant information that could be considered of any practical use in this report.

25. INTERPRETATION AND CONCLUSIONS

The author was engaged by Surge to prepare an independent review of the geological potential of the Property and to prepare a NI 43-101 Technical Report.

During the fall of 2017, LiCo completed 11 diamond drill holes totaling 2,204 m on the Teledyne Cobalt Property. LiCo's Phase 1 diamond drill program was designed to confirm and extend the existing known mineralization along strike and up and down dip. The program tested the Teledyne Zone for a strike length of approximately 220 m. Significant cobalt mineralization intersected in the Phase 1 diamond drilling program include:

- TE17-01 0.62% Co over 6.00 m from 136.00 to 142.00 m including 3.92% Co over 0.75 m from 140.25 to 141.00 m.
- TE17-02 0.95% Co over 1.9 m from 143.0 to 144.9 m, incl. 2.58% Co over 0.60 m from 144.30 to 144.90 m.
- TE17-02 0.59% Co over 3.9 m from 156.0 to 159.9 m, incl. 2.22% Co over 0.60 m from 156.6 to 157.2 m.
- TE17-04 1.82% Co over 6.00 m from 138.00 to 144.00 m, including 5.06% Co over 1.75 m from 141.25 to 143.00 m.
- TE17-05 2.32% Co over 4.00 m from 126.5 to 130.50 m.
- TE17-05 1.70% Co over 6.00 m from 136.00 to 142.00 m.
- TE17-07 0.50% Co over 2.10 m from 127.60 to 129.70 m.
- TE17-08 0.77% Co over 3.40 m from 169.50 to 172.90 m, including 1.17% Co over 2.00 m from 169.50 to 171.50 m.
- TE17-08 0.59% Co over 1.20 m from 174.00 to 175.20 m.
- TE17-08 0.62% Co over 0.60 m from 178.60 to 179.20 m.
- TE17-11 0.54% Co over 2.00 m from 130.00 to 132.00 m.

Review of Teledyne's diamond drilling program suggests potential remains along the southern strike of the structures hosting the mineralization that Teledyne encountered in 1979 that ultimately led to the construction of a decline. However, the strike length is limited due to intersection of the mineralization with the eastern claim boundary of patented claim 372. The author believes potential remains on the Property for the discovery of parallel mineralized zones

to the west of the Teledyne Main zone. Other historical occurrences on the Property also warrant further follow up.

Significant risks and uncertainties that may exist is that further exploration along the projected vertical and horizontal extensions of the mineralization intersected to date, or diamond drill testing exploration targets derived from the Phase 1 Surface Exploration Program, may not be successful in intersecting additional mineralization.

26. RECOMMENDATIONS

Subsequent to the research conducted for this Technical Report, and taking into consideration information provided by Surge, the author recommends a two-phase exploration program:

Phase 1:

1) An environmental due diligence study should be completed to identify the nature and extent of any environmental liabilities that may be present on the Property.

2) The Resident Geologist's Office in Kirkland Lake should be visited to locate additional historical reports that pertain to the Property that may not be accessible online.

3) A Phase 1 surface exploration work program including geological mapping, prospecting, and mechanized stripping is recommended. Historical showings should be located and evaluated. If warranted, detailed mapping, mechanized stripping, and sampling should be considered over selected targets.

1) A 3,000 m, Phase 2 diamond drill program is recommended to extend the known mineralization on the Main Zone and follow up on targets generated by the Phase 1 surface exploration program. The author believes that potential remains the west of the Teledyne Main Zone for the discovery of parallel mineralized zones.

Tables 7 and 8 summarize the budget and recommendations of a Phase 1 surface exploration program and Phase 2 diamond drilling program for the Property. Phase 2 is not contingent upon positive results of Phase 1.

Table 7: Phase 1 Surface Exploration Budget

Personnel costs (prospecting, geological mapping)			Sub-Total
Project Geologist/Project Manager	15 days	$700/day	$10,500
Technician	15 days	$325/day	$4,875
Fixed contract costs	**Unit**	**Unit cost**	**Sub-Total**
Mechanized Stripping (all inclusive)	1	$15,000	$15,000
Other costs	**Unit**	**Unit cost**	**Sub-Total**
Meals and accommodation	30	$100/day	$3,000
Truck Rental & Fuel	15	$120/day	$1,800
ATV Rental & Fuel	30	$90/day	$2,700
Assays	200	$40	$8,000
Supplies	1	$500	$500
Report Writing	**Unit**	**Unit cost**	**Sub-Total**
Report – Geological Mapping/Prospecting/Stripping	4	**700**	**$2,800**
		Total:	**$49,175**

Table 8: Phase 2 Diamond Drilling Budget

Personnel costs (diamond drilling)	Unit	Unit cost	Sub-Total
Project Geologist/Project Manager	40 days	$700/day	$28,000
Technician	40 days	$325/day	$13,000
Fixed contract costs	**Unit**	**Unit cost**	**Sub-Total**
Diamond Drilling (all inclusive)	3000 m	$90/m	$270,000
Other costs	**Unit**	**Unit cost**	**Sub-Total**
Supplies	1	$2,500	$2,500
Core shack Rental	2 months	$800/mth	$1,600
Diamond Saw Rental	2 months	$600/mth	$1,200
Meals and accommodation	30	$100	$3,000
Assays	1,200	$40/Sample	$48,000
Truck Rental & Fuel	40	$120/day	$4,800
ATV Rental & Fuel	10	$90/day	$900
Report Writing	**Unit**	**Unit cost**	**Sub-Total**
Report – Diamond Drilling	5	**$700**	**$3,500**
Report – Resource Estimate	1	**$50,000**	**$50,000**
		Total:	**$ 426,500**

Sub-Total: $475,675
Contingency (10%): $47,568
Total: $523,243

27. DATE AND SIGNATURE PAGE

This report titled “NI 43-101 Technical Report on the Teledyne Cobalt Project, Larder Lake Mining Division, Northeastern Ontario” for Surge Exploration Inc. dated May 8th, 2018, was prepared and signed by the following author:

Signed by:

Joerg M. Kleinboeck, P.Geo.

28. REFERENCES

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Thomson, R. 1964. Preliminary report on Bucke Twp., District of Timiskaming. Description of Mining Properties.

CERTIFICATE OF AUTHOR

I, Joerg M. Kleinboeck, do hereby certify that:

1. I am a consulting geologist with an office at 147 Lakeside Dr., North Bay, Ontario.

2. I graduated with the degree of Bachelor of Science (Geology) from Laurentian University, Sudbury, Ontario, in 2000. I have been a consulting geologist since 2000.

3. "Technical Report" refers to the report titled “NI 43-101 Technical Report on the Teledyne Cobalt Property, Larder Lake Mining Division, Northeastern Ontario.”, and dated effective May 8th, 2018.

4. I am a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario (#1411).

5. I have worked as a geologist for over 18 years since my graduation from Laurentian University. I have worked within the provinces of Ontario and Quebec, within the United States of America (Utah, New Mexico), and in South America (Peru). I have been actively involved in exploration for Archean VMS and gold deposits, Ag-Co-carbonate vein deposits, Cu-Ni-PGE deposits, diamonds, kyanite deposits, and sediment-hosted Cu-Co deposits.

6. I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements as a Qualified Person for the purposes of NI 43-101.

7. I am responsible for all sections of the Technical Report titled “NI 43-101 Technical Report on the Teledyne Cobalt Property, Larder Lake Mining Division, Northeastern Ontario”, dated May 8th, 2018, and prepared for Surge Exploration Inc.

8. I am independent of Surge Exploration Inc. other than providing geological consulting services.

9. I have had no prior involvement with the mineral property that forms the subject of this Technical Report besides providing geological consulting services to LiCo Energy Metals Inc. and Surge Exploration Inc. I am also independent of the Property and the adjacent properties listed in Section 23.

10. I have read NI-43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that Instrument and Form.

11. As of the date of this certificate, and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

12. I initially visited the Teledyne Cobalt Property on September 11th, 2016. The site visit included visiting the location of the Teledyne decline, locating historical drill collars, and reviewing the surficial geology. The author supervised the Phase 1 diamond drilling program completed by LiCo and is familiar in all aspects with the exploration programs completed to date by LiCo. The author was last on the Property on November 8th, 2017, near the completion of the Phase 1 diamond drilling program.

Dated this 8th Day of May, 2018

Joerg M. Kleinboeck, P.Geo.